



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Economics, Environmental Analysis and Administration

June 29, 2004

Ms. Sandra L. Brown
Troutman Sanders LLP
401 9th Street, N.W.
Suite 1000
Washington, D.C. 20004-2134

Re: STB Finance Docket No. 34435, Ameren Energy Generating Company –
Construction and Operation Exemption – in Coffeen and Walshville,
Illinois

Dear Ms. Brown:

I have received your letter of June 3, 2004 regarding Ameren Energy Generating Company's (AEGC or Applicant) petition for exemption seeking the Board's authority to construct and operate a new rail line in Illinois. The proposed 13-mile rail line would connect AEGC's Coffeen Power Plant with rail lines of the Union Pacific Railroad (UP) and the Burlington Northern and Santa Fe Railway (BNSF). The Board's Section of Environmental Analysis (SEA) has begun its environmental review of the proposed action.

In your letter, you request a waiver of the preparation of an Environmental Impact Statement (EIS). Pursuant to 49 CFR 1105.6(d), SEA is granting your request for a waiver of 49 CFR 1105.6(a), which normally provides for the preparation of an EIS for rail line construction proposals. At this time, we believe that the proposed construction and operation are unlikely to have any significant environmental impact, and therefore, preparation of an Environmental Assessment (EA) is the appropriate level of environmental review.

You have provided SEA with preliminary information about the project as well as the level of potential environmental impact that may be associated with the proposed construction and operation. As part of its independent review and verification, staff from SEA and Dawkins Environmental Consultants (Dawkins), the approved independent third-party consultant that has the responsibility of assisting SEA in preparing the environmental analysis and appropriate environmental documents, have also visited the project site and, based on current information, concluded that there do not appear to be significant environmental issues related to this project. Further, in response to consultation letters, Federal and state agencies have not identified any significant environmental issues with the proposed action.

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Based on the information available to date, we believe that the environmental impacts of this project would not be significant and any impacts can most likely be addressed through appropriate mitigation measures. Therefore, an EA is appropriate in this case. We base our determination on the following:

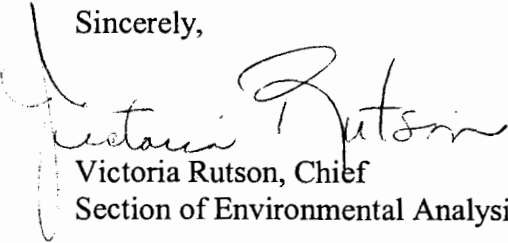
- (1) The rail line would be approximately 13 miles long for Route A (five miles for the alternative Route B), and land use in the immediate vicinity is largely agricultural.
- (2) Projected daily traffic levels on the proposed line would be four to five trains per week.
- (3) The U.S. Fish and Wildlife Service (USFWS) has identified the Indiana bat as possibly existing in the project area. However, there are no records for this species in Montgomery County where the majority of construction would occur. Approximately 3,000 feet of Route B are located in Bond County and there are Indiana bat records for Bond County. If construction of Route B were to proceed, AEGC has stated a willingness to implement USFWS mitigation measures where the Indiana bat may be present.
- (4) AEGC is working with the U.S. Army Corps of Engineers (USACE) to file and obtain a Section 404 permit pursuant to the Clean Water Act, and AEGC has stated that it will comply with any permit conditions imposed by USACE.
- (5) Route A would cross a 1500-foot wide floodplain of Shoal Creek. AEGC has indicated that the bridge at Shoal Creek would be designed and sized to comply with Illinois Department Natural Resources requirements including those developed to minimize impacts to 100-year flood-water elevations.
- (6) The Illinois Historic Preservation Agency (State Historic Preservation Office or SHPO) stated that the project area has not been surveyed and may contain prehistoric/historic archaeological resources. At the request of the SHPO, a Phase I archaeological reconnaissance survey is being conducted by a subcontractor to Dawkins.
- (7) Other Federal and state agencies did not identify any significant issues during the agency consultation process.
- (8) SEA and Dawkins staff did not identify any significant issues during a recent site visit.

After the EA is prepared, SEA will make the document available for public review and comment. Once the comment period is concluded, SEA will prepare a Post EA discussing the comments received and including any appropriate modifications to its existing analysis or

additional analysis. The Post EA will also set forth for the Board SEA's final recommended mitigation measures. The Board will then consider the EA, the public comments, and SEA's Post EA recommendations before making its final decision in this proceeding. Of course, should the EA process disclose unanticipated impacts that are significant, we will require the preparation of an EIS at that time.

If you have any questions, please do not hesitate to contact me or Dave Navecky of my staff at 202-565-1593.

Sincerely,



Victoria Rutson, Chief
Section of Environmental Analysis

cc: Carole Dawkins, Dawkins Environmental Consultants